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Pres. Determination No. 75-20 signed  
by President May 20  
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THE DEPUTY SECRETARY OF STATE  
WASHINGTON

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Attention

Keep this study together.

May 3, 1975

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MEMORANDUM FOR THE PRESIDENT

FROM: Robert S. Ingersoll *RSI*

SUBJECT: Waiver of the \$10 Million Ceiling on  
Military Assistance, Credits, and Guarantees  
for Africa, under Section 33(b) of the Foreign  
Military Sales Act, as amended.

Problem

You are asked to exercise your authority under  
Section 33(b) of the Foreign Military Sales Act, as  
amended, and determine that the waiver of the \$40  
million ceiling established by Section 33(a) of the  
Act on the total amount of grant military assistance,  
credits, and principal amount of guaranteed loans,  
excluding training, to African countries in fiscal  
year 1975 is important to the security of the United  
States.

Background

The \$40 million ceiling on the total amount of  
grant materiel and the face value of foreign military  
sales credits that can be provided to African countries  
was enacted in 1967. The proposed 1975 military as-  
sistance and credit sales programs for Africa exceed  
this amount, due to a combination of certain program  
increases and inflation.

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- 2 -

Because of deliveries of Soviet Arms to Somalia, Uganda, Algeria and Libya, some neighboring countries -- Ethiopia, Kenya, Tunisia and Morocco -- are re-evaluating their defense needs. These latter countries have requested assistance from the United States to help redress the perceived military imbalance. Our response to their requests has thus far been restrained. Because of diminishing grant funds and in order to involve the budgetary process of the recipient, most of our proposed response would be limited to cash sales and credits under the Foreign Military Sales Act (FMS).

The aggregate of our proposed grant materiel programs and FMS credit sales would come to about \$65 million, not including training for six selected countries. Of this amount, about \$51 million would consist of FMS credits. Waiving the \$40 million would enable the U.S. Government to respond to these requests and promote our interests in areas which are politically and strategically important to us.

#### Legal Considerations

Section 33(a) of the Foreign Military Sales Act imposes a fiscal year ceiling of \$40 million on the total amount of grant military assistance, credits, and the principal amount of guaranteed loans, excluding training, to African countries. Section 33(b) provides that you may waive this ceiling when you determine that this waiver is important to the security of the United States, and promptly so report to the Congress.

Under Section 654(c) of the Foreign Assistance Act of 1961, as amended, the waiver would have to be published in The Federal Register unless you conclude that such publication would be "harmful to the national security of the United States." Since the requested waiver would do no more than waive the ceiling established by Section 33(a) of the Foreign Military Sales Act for African countries generally, I have concluded that its publication would have no harmful effect on the national security and, accordingly, recommend its publication in The Federal Register.

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-3-

Congressional Considerations

There will be some Congressional opposition to waiving the limitation on total military assistance for the African countries. We will report your determination to the Congress on your behalf and provide them with the attached justification, as has been our practice with previous determinations. We believe that the majority of the members of Congress will be convinced that waiving the African ceiling will be an appropriate way to respond to the requests for increased military assistance and at the same time promote U.S. national interests in politically and strategically important areas.

Recommendation:

I therefore recommend that you approve and sign the attached determination and thereby approve the attached justification.

Attachments:

Proposed Determination and  
Accompanying Justification

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